

Valley cattle ranchers trying to stay afloat amid drought

Robert Rodriguez, Fresno Bee, 2-1-14

Madera County cattle rancher Michele Lasgoity can't bear to look at the dry grasses that blanket some of the San Joaquin Valley's parched rangeland

"It does not look good at all," said Lasgoity, whose family has been farming in the region since the 1920s. "It just makes me sick.

"For ranchers, grasses are the primary food source for their animals. Amid a statewide drought, livestock ranchers like Lasgoity have been battling to maintain their herds by buying hay at escalating prices, trucking water to empty ponds, or selling some of their animals to stretch their feed budgets.

Although Thursday's rain will provide some relief by jump-starting the growth of grasses, livestock owners know the drought is far from over. Many also fear a possible repeat of the 1977 drought that caused \$566.5 million in losses to California agriculture. Livestock producers suffered the largest loss at \$415.5 million.

"Right now, some ranchers are living on borrowed time," Lasgoity said. "And at some point they are going to have to make some tough decisions."

Those hard choices could include selling a portion of their animals at regional livestock auctions. In the worst cases, ranchers who no longer can afford the cost of buying hay are selling off their entire herd.

"And those guys typically are not going to buy any more new cows," said Cindy Tews, who along with her father, Phil, operate the Fresno Livestock Commission, an animal auction in Easton. "When they go out, they don't come back."

Cindy Tews has seen an uptick in business as the drought continues to squeeze livestock operators. Normally, the winter months are a slow time for selling beef cows, but not this year.

"Animals that we normally would see in April, May or June are coming in now," Phil Tews said. "And it isn't just beef cattle, we are seeing it with sheep, lambs and goats."

Adding to the selling and buying frenzy is the increased demand from ranchers in the Midwest and South, who are trying to rebuild their herds after their own bouts with droughts and freezes.

The nationwide demand for beef cows also has spurred a growing need for hay, one of the prime sources of supplemental feed for livestock owners.

Randy Perry, an animal science professor at California State University, Fresno, said some ranchers' feed costs have jumped 50% to 100%.

"We went into this year with below-average rainfall and below-average grasses," Perry said. "And that has caused a lot of people to have to feed their cows a lot longer than they normally would."

Lasgoity said her feed costs have jumped 25%. This time last year, hay in the Valley was selling for about \$200 a ton. Now, it's up to \$265 and climbing. Demand for hay is high and a shrinking supply is pushing prices higher.

"I was talking with a rancher the other day whose supplier told him that if he needed any more hay in the next 30 days it would probably be at least \$310 a ton," said Mark Thompson, a board member of the Fresno Kings County Cattlemen's Association.

Thompson said he is also aware of a rancher in eastern Madera County who was forced to truck water to his cattle because the stock ponds on the ranch had dried up.

"There are a lot of ranchers out there who are trying to hold their cows together until the grass gets going," Thompson said. "But that is getting harder and harder to do without more rain."

Perry said ranchers must decide whether they can afford to wait for rain as they continue feeding hay to their cows, or sell part, if not all, of their cows now.

"You can only afford to feed them for so long," Perry said. "If you are not careful, you can burn up all of your costs in feed."

The upside for some ranchers is that the demand for a cow and her calf is high among ranchers from Texas, Oklahoma and Nebraska.

Cindy Tews, who also is a cattle rancher and president of the Fresno Kings County Cattlemen's Association, estimates that the price for a cow/calf has gone up from \$1,400 last year to about \$2,000.

The Tews family has reduced its ranch herd by 10%, a much deeper cut than they wanted.

"Sometimes you don't have a lot of options," Cindy Tews said. "Still, the recent storm gave us hope that things will get better."